units on the 1st January 1986, drawing salaries based on industrial pattern of Dearness Allowance;

(b) if, so, the names of the public sector units under different Ministries where interim relief has been paid to the employees;

(c) the names of public sector units under various Ministries where interim relief has not been paid and the reasons therefor; and

(d) when the interim relief will be paid to the employees of such public sector units?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO) : (a) Yes, Sir.

(b) to (d) The information is being collected and will be laid on the Table of the House.

Financial performance of Units of Bharat Bhari Udyog Nigam Limited

4473. SHRI SAMAR MUKHERJEE : Will the Minister of INDUSTRY be pleased to state:

(a) what are the details of the profit and loss accounts of the constituent units of Bharat Bhari Udyog Nigam Limited for the financial year ended on the 31st March, 1988;

(b) whether there have been any increase or decrease in the profits earned/losses suffered in comparison to the previous year; and

(c) if the loss has been increased during the above period, what are the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO) : (a) and (b) Unit-wise details of profit/loss of constituent Units of Bharat Bhari Udyog Nigam Limited (BBUNL) for the year 1986-87 and 1987-88 are given in the enclosed Statement. (*See* below).

(c) The loss in 1987-88 in the subsidiaries of Bharat Bhari Udyog Nigam Limited has increased over that in 1986-87 due to the following reasons:

One of the main reasons for loss was that the engineering works of all the subsidiaries located in the West Bengal were on 47 days' long strike from 14-12-1987 to 29-1-1988 as part of the general strike in the Public Sector Engineering Industries in West Bengal. Even after the conclusion of the strike and signing of tripartite memorandum of settlement, a time of two weeks was permitted to the workers to rejoin duties. The cumulative effect of this strike was approximately three months during the peak period of activities in the year except Bharat Wagon and Engineering Company Limited and refractory units of Burn Standard Company Limited.

Consequent upon settlement there has also been substantial increase in wages and salaries.

Continued shortage of working capital has also been a major factor for the losses of these units.

Efforts by some of the subsidiaries to bring about improvement in the work culture on a long term

basis also contributed to shortfall in production as a result of agitational approach by concerned Unions.

Statement

(Rs. in lakhs)

Name of constituent Companies of BBUN	Profit (+)/Loss (—) 1986-87 (Actual)	1987-88 (Provisional)
Jessop & Co. Ltd.	(—) 80.18	(—)108.00
Braithwaite & Co. Ltd.	(—)578.42	(—)1111.52
Bharat Wagon & Engg.	(+)231.46	(+)58.00
Burn Standard Co. Ltd.	(+)33.53	(—)1079.00
Bharat Process & Mechanical Engineers Ltd.	(—)549.24	(—)283.17
Lagan Jute Machinery Co. Ltd.	(—)53.75	(—) 83.97
Bharat Brakes & Valves Limited	(—)300.90	(—)266.03
Weighbird (India) Ltd.	(—)107.64	(—)101.00
BBJ Construction Co. Ltd.	(—)195.26	(—) 94 34

Bharat Bhari Udyog Nigam Limited as a holding company

4474. SHRI SAMAR MUKHERJEE: Will the Minister of INDUSTRY be pleased to state:

(a) what are the objectives in forming the holding company Bharat Bhari Udyog Nigam Limited;

(b) whether the said objectives have been fulfilled; if so, what are the details thereof; and

(c) if not, what are the reasons for non-fulfilment of the objectives; and what steps have been taken to achieve the objectives?

THE MINISTER OF INDUSTRY (SHBI J. VENGAL RAO): (a) to (c) The main objective behind the formation of a holding company was to impart greater autonomy by introducing an intermediate level of management between the Ministry and the companies re-constituted as subsidiaries of the holding company. Under this arrangement, the interface between the Government and the subsidiary companies is minimum without sacrificing the essential need for coordination of the operations of the companies. It was envisaged that there should be centralised policy making and de-centralised operational activity. The holding company is to be essentially a policy making body of the subsidiary companies stimulating major initiatives for efficient functioning of the subsidiary companies. It would coordinate and decide policies regarding financing, borrowing, investment, budget, product-mix, capacity utilisation, marketing and commercial aspects, human resources, research and development, technology absorption, diversification and other policy operations of the subsidiary companies. In brief, the holding company was formed with a view to imparting greater measure of autonomy to increase efficiency and inter-unit coordination. The holding company,